

MEMBERSHIP DEFINITIONS AND RULES

A.C.A. § 24-7-501-502, A.C.A. § 24-7-202, A.C.A. § 24-7-406, as amended by
Act 97 of 2007

DEFINITIONS

1. **Active member** means any member rendering service to an employer that is covered by the System.
2. **Deferred member** means a member who has five (5) or more years of actual and reciprocal service who is eligible for retirement under A.C.A. § 24-7-707.
3. **Inactive member** means a member who is no longer rendering service covered by the System and who is not retired.
4. **Member** means any person included in the membership of the System.
5. **Nonteacher** means any member except a teacher.
6. **Teacher** means any member employed by a school for purposes of giving instruction and whose employment requires state licensure.

MEMBERSHIP IN THE ARKANSAS TEACHER RETIREMENT SYSTEM SHALL INCLUDE THE FOLLOWING PERSONS:

1. All teachers hired after July 1, 1971, who are not participating in another state-supported retirement plan;
2. All employees of an Arkansas public school district hired after July 1, 1989;¹ and
3. All persons newly hired after July 1, 1989, by any covered employer who are not participating in an alternate or other state-supported retirement plan.

RULES

1. A person who has excluded himself or herself from membership before July 1991 may rescind the exclusion by filing with the System a membership data form.

¹Those employees whose nonteaching service began before July 1, 1989, and whose nonteaching service is covered or coverable by the Public Employees Retirement System, shall continue to be covered by that system for all nonteaching service.

2. Effective July 1, 2001, those employees whose nonteaching service began before July 1, 1989, and whose nonteaching service is covered or coverable by the Public Employees Retirement System may elect to be covered by the Arkansas Teacher Retirement System. The elections shall be made prior to May 31 on a form provided by System and shall be effective the following July 1 (Act 742 of 2001).
3. Employees who are eligible for membership in the Teacher Retirement System are ineligible for membership in another state retirement system while employed in a position covered by Teacher Retirement, excluding service in the Arkansas General Assembly [A.C.A. § 24-7-204(6)].
4. Employees hired by the following employers are ineligible to become members of the System unless the employee has prior service in the System with another covered employer: Arkansas Activities Association; Arkansas Association of Educational Administrators; Arkansas School Board Insurance Trust, Arkansas Easter Seals Society; Ashley County Adult Education; Florence Crittenden Home; Jefferson County Adult Education; Laidlaw Transit; and the Literacy Council of Lonoke. (See ATRS Board Resolution 2006-15, IRS Private Letter Ruling, June 17, 2006.)

ACTIVE MEMBERS

An active member means a person rendering service to a covered employer as follows:

1. For the purpose of crediting service in a fiscal year, an active member must earn a year of credit (120 teaching days) or a fraction thereof (not less than 1/4 year - 30 teaching days).
2. No service credit shall accrue until the member works thirty (30) days for a covered employer in a fiscal year. If the member does not accrue any service credit for a fiscal year, then any employee contributions shall be refunded to the member by the System at the end of the fiscal year.
3. Active membership will continue beyond a fiscal year in which actual service was rendered, provided the employing institution certified continuing employment, and leave of absence with pay upon which the member is making contributions or is a noncontributory member, also continues active membership
4. An inactive member will become an active member after returning to covered employment and completing at least 30 (thirty) days of credited service.

TERMINATION OF ACTIVE MEMBERSHIP

Active membership in the System will terminate upon the occurrence of any of the following:

RULES

1. An active member who terminates covered employment and retires becomes inactive and is not eligible to accrue additional service credit or make employee contributions to the System unless the member's retirement is rescinded.
2. An active member who is no longer employed by a covered employer and does not retire shall become inactive.
3. If an inactive member who has not retired becomes employed by a covered employer, he/she will become an active member and is eligible to accrue service credit upon the completion of 30 days of service to the employer.

ADMISSION OF NEW EMPLOYERS COVERED BY THE SYSTEM

1. All employees of a new ATRS employer must participate in the Arkansas Teacher Retirement System as a condition of their employment.
2. Employees of a new ATRS employer will enter the System as noncontributory members and be allowed one (1) year from the date the new employer is approved by the Board of Trustees to make an irrevocable choice to participate in either the contributory or noncontributory plan.
3. Employees of a new employer who want to purchase their previous service with the new employer may do so in accordance with the policies pertaining to the purchase of prior service. Service with other Arkansas educational nonprofit corporations not covered by ATRS may be purchased in accordance with the policies pertaining to the purchase of private school service.
4. A retiree who is working for a new ATRS employer on the date the employer is approved by the Board of Trustees may continue employment with the employer without being considered to be rendering service to a covered employer. A retiree working for a newly covered employer in this instance is not subject to the ATRS earnings limitation.

Amended: June 15, 2004
April 26, 2007